

SEP 28 1999

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Central Basin Municipal Water District

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September 23, 1999

Mr. Lester Snow, Executive Director
CALFED Bay-Delta Program
1416 Ninth Street, Suite 1155
Sacramento, California 95814

Dear Mr. Snow:

Revised Phase II PEIR/EIS Comments

Central Basin Municipal Water District (Central Basin) has been a strong supporter of the CALFED process to repair the Sacramento-San Joaquin Bay-Delta and Estuary. On September 20, 1999, the Central Basin Board adopted policy principals which reflect our comments and concerns about the Revised Phase II documents. These policy principals are enclosed.

Central Basin has reviewed much of the documentation of the proposed CALFED solution. The District has determined that the proposed package has promise but is lacking in the detail necessary for affected water agencies to make informed decisions about supporting the CALFED plan. Water agencies cannot be asked to give undiscerning support for a plan where too many questions remain unanswered.

Central Basin respectfully suggests that CALFED review our comments in the enclosed document. CALFED should provide answers for our concerns prior to the record of decision.

Thank you for providing us with the opportunity to comment on this critically important document. A sincere thank you for the time and energy you and your staff have put into this endeavor.

If you have any questions, I can be contacted at (310) 660-6258.

Sincerely,

A handwritten signature in black ink, appearing to read "D. Miller", is written over the word "Sincerely,".

Darryl Miller, General Manager
Central Basin Municipal Water District

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Attachment



CENTRAL BASIN MUNICIPAL WATER DISTRICT

Policy Principles for a CALFED Bay-Delta Solution

Introduction

The original concept behind CALFED was to achieve improvement in all areas concerning the California Bay-Delta through a preferred solution so that all stakeholders would "get better together." These areas include environmental restoration of the Delta, water quality improvement, and water supply reliability for all beneficiaries of the Delta. Central Basin Municipal Water District (Central Basin) supported these objectives from the beginning, even though CALFED changed its course from selecting the technically superior solution to a "staged" implementation plan with no guarantees for improvement in any of the aforementioned areas. The current proposed plan still has promise but is sorely lacking in the detail necessary for stakeholders to make a deliberative and informed decision. Central Basin has prepared these policy principles to inform CALFED of what is needed to develop a long-term successful plan. We join with other urban water agencies in Southern, as well as Northern California, to respectfully ask CALFED to review these principals and use them to improve the current plan to one that our agency can wholeheartedly support. Below are the principles that are supported by Central Basin. These principles are broken out by subject and underlined for distinction.

Getting Better Together

The preferred solution must provide significant and benchmarked improvements in water quality, water reliability, and the environment. A comprehensive assurances package must be defined before the preferred solution can be supported. These assurances must include a "no-surprises" regulatory policy to eliminate regulatory induced uncertainties and insure no further losses of water supply compared with current available sources. The preferred solution will only be successful if it provides comprehensive coverage for all regulatory obligations; combining the State Water Quality Control Plan, state and federal Endangered Species Act (ESA), CVPIA, and other requirements into a single, manageable integrated system of regulatory requirements. This includes provisions in the preferred solution assuring permitting capabilities for major water quality and water supply facilities in concert with provisions for ecosystem restoration. Currently, CALFED's proposed plan does not adequately address these concerns.

Water Quality

CALFED has set water quality targets to achieve either average concentrations at Clifton Court Forebay of 50 µg/l bromide and 3.0 mg/l TOC (total organic carbon), or an equivalent level of public health protection using a combination of alternative source waters and technologies. Central Basin supports the targets for bromide and TOC mentioned in the Phase II plan. Unfortunately, CALFED has not yet adopted a salinity target but does have a preliminary objective to reduce salinity in Delta supplies. Reduced salinity is of significant importance to Central Basin as we have substantial investments in recycled water programs. Most of the imported water to the Southern California region is from the Colorado River and is of poor quality due to its high salinity. Colorado River water must be blended with Delta water to make it of recyclable quality. If salinity in Delta export water is not brought down to a manageable level, water recycling will become difficult, if not impossible. This would cause our District to become more dependent upon potable supplies from the Delta. Therefore, Central Basin supports a target of 150 mg/l TDS (total dissolved solids).

Water Supply Reliability

In the program proposed by CALFED, an expansion of the Banks Pumping Plant in the South Delta would occur during the seven years of plan implementation. This expansion would result in an increase of pumping to 8,500 cfs (cubic feet per second) in the near-term (stage one) and 10,300 cfs in a longer term (possibly by the end of stage one). This increase, combined with interchangeable State Water Project (SWP) and Central Valley Project (CVP) operations, would help maximize the water deliveries for water supply agencies of both Projects.

Central Basin supports the expansion of the Banks Pumping Plant to 10,300 cfs. However, the current plan from CALFED makes no statements regarding an operational agreement between the state and federal agencies that operate these two projects. Without such an agreement, disputes could occur over access to Delta water. Central Basin supports the need for a commitment from CALFED for additional 200,000 acre-feet of dry-year yield for Metropolitan Water District, the largest contractor on the SWP. CALFED is expected to release a draft Water Management Strategy in late 1999. This strategy must include the Integrated Storage Investigation (ISI) plan to determine the appropriate mix of surface and groundwater storage, identification of potential projects, and initiate permitting and construction if program linkages and conditions are satisfied. Finally, CALFED must establish, finance and implement an Environmental Water Account (EWA) that is combined with an overall operations agreement to achieve a "no surprises" regulatory assurances for water users against the erosion of further supplies.

Policy Principles for a CALFED Bay-Delta Solution

Page 3

Southern California needs the Bay-Delta system to be free from the potential threat of interruption, possibly lasting several months, which was the case earlier this year with the Delta Smelt. This episode involving the Endangered Species Act (ESA) eliminated assurances that this supply would remain reliable. The environmental community must recognize that reliability is of utmost importance to urban water agencies such as Central Basin. Without assurances of a reliable supply of water for Southern California from the State Water Project, there can be no support from the District for a CALFED solution.

Water Transfers

A free market for water would greatly contribute to Southern California's ability to meet its water demands, particularly in periods of drought. Federal and state agencies have stood in the way of the development of a free market for water due to current and conflicting regulations and multiple overlying jurisdictions. This can and must be corrected as a part of CALFED preferred solution.

CALFED has proposed a California Water Transfers Clearinghouse that would be a coordinating organization between willing sellers and willing buyers of transferable water. Central Basin is highly supportive of this program element, but actions to accomplish this are lacking in the Phase II documents and must be more clearly defined. Fixing the Delta, operationally, would result in built-in capacity for accommodating transfers. Also, the Clearinghouse must include a complete evaluation of potential third-party impacts and mitigation of those impacts from upstream of the Delta, through the Delta, and all the way to the point of delivery.

Cost

In the current Phase II report, CALFED has proposed to create a financing plan which will include all expected revenue sources such as state and federal appropriations, state bonds, private financing, user fees and a system diversion fee. Central Basin supports the inclusion of a financing plan in the PEIR/EIS that describes the funding mix for state and federal agencies, water wholesalers and retailers, and other beneficiaries who will be asked to pay for a Bay-Delta solution. The financing plan must provide a beneficial value commensurate with the beneficiary's proportional cost share.

What is not being addressed in the proposed financing plan, or anywhere else in the documents, is a full disclosure of the costs, feasibility, and effectiveness for out-of-Delta solutions. This includes enhanced treatment facilities and alternative water supply sources and a provision for a comparison of these alternatives compared to a Delta solution. Also, the financing plan should include an evaluation and disclosure of the economic ramifications and financing arrangements associated with out-of-Delta expenditures. Finally, and most importantly, CALFED should compare the technical

Policy Principles for a CALFED Bay-Delta Solution
Page 4

performance of all the Delta conveyance alternatives against meeting CALFED's water quality, ecosystem, supply reliability, and system reliability goals.

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